Employment practices review

From:
Sent: 06 May 2017 19:01
To: Employment practices review
Subject: Suggestions On Matters Related To Self Employed People For You To Consider

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Dear Sir/Madam,

I am getting in touch to put some suggestions to your review into employment. As a self employed person myself for nearly 20 years in the Taxi/private Hire Industry, I'd like to put some suggestions forward.

1: I very much regret going into self employment. I was pressurised into it by family members who thought the Taxi industry was somewhere where I would earn "loads of money" and that seems to be the general perception of the general public too. What most people do not seem to realise (and this includes would be taxi/private hire drivers) is the masive amount of business costs most self employed people have to pay and once they are paid along with any taxes that have to be paid, what is left for profit is very very small.

By the time people do realise the massive amount of costs involved in self employment, esp the one I am in, they are often in too deep with regards to debt on their car (if they've taken out a loan to buy the car), their insurance will be very expensive in the first few years too so drivers stay in the business because they have to, not because it is profitable. If they knew in advance what pitfalls they'd be facing, I think many people would avoid the Taxi industry and other self employed jobs in general.

I think that wherever possible there should be warnings given to the public to do their research into how much costs they are likely going to face BEFORE they go into any self employment job. This can be done in various ways. From a public awareness campaign via TV adverts and websites, to council's pointing out the kind of costs would be Taxi/Private Hire drivers will face and with the amount of competition there is, their profits are likely to be very small. I think Job centres and career advice centres should also be told to warn/caution on the pitfalls of being becoming self employed.

2: With the Chancellor looking like he will increase National Insurance on the self employed, I think it would be fair to charge the self employed higher NI if they got statutory Holiday and sick pay. I would suggest that anyone on profits less than the average wage should get 4 weeks statutory holiday pay of up to £500 a week and this should be done once people have been self employed for more than a year and have paid their taxes to HMRC and are fully registered with them.

People like to make out the self employed do not pay enough in taxes compared to employed people as employed people also get their employers contributing towards their National Insurance, but I would point out that most self employed people will be paying VAT on many of their business costs and won't be claiming the VAT back. Self employed people will also pay insurance tax in a lot of cases too, as well as Road Taxes. All these taxes add up in filling the revenue available to the Government to spend so I think my suggestion on self employed people getting statutory holiday and sick pay should be given serious consideration.

Yours faithfuly,

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